

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

In re:)	
)	Chapter 13
SIMEON MORENO)	
)	Case No. 08-17715-FJB
Debtor)	
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SIMEON MORENO,)	
)	
Plaintiff,)	
)	
vs.)	
)	
PROPERTY ASSET MANAGEMENT, INC.,)	Adv. Pro. No. 09-01378
)	
Defendant.)	
)	
)	
)	
)	
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AFFIDAVIT OF LEHMAN BROTHERS HOLDINGS, INC.

I, Scott Drosdick, hereby depose and state as follows:

1. I am a vice president of Lehman Brothers Holdings, Inc. ("LBHI"). I am authorized to make and am making this affidavit on behalf of LBHI. The information contained in this affidavit is based upon public records, the business records of LBHI and the records provided to LBHI by Aurora Loan Services LLC, in its capacity as master servicer, and Litton Loan Servicing, LP in its capacity as loan servicer ("Litton").

2. On September 15, 2008, LBHI filed a petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, LBHI continues to operate its business and maintain possession of its remaining assets, including

being the holder of a loan (the "Loan") made to Simeon Moreno ("Moreno") in the original principal amount of \$492,000, which Loan is secured by a lien on certain residential real estate owned by Moreno and more particularly described in the Mortgage (hereinafter defined).

3. Property Asset Management, Inc. ("PAM") is an indirect wholly owned subsidiary of LBHI .

4. On January 23, 2007, the Loan was originated by G.E. Money Bank and was evidenced by a promissory note (the "Note") in favor of G.E. Money Bank and secured by a mortgage (the "Mortgage") granted to Mortgage Electronic Registration Systems, Inc. ("MERS") as nominee for G.E. Money Bank and the successors and assigns of G.E. Money Bank. A copy of the recorded Mortgage is attached hereto as Exhibit A.

5. On September 19, 2007, WMC Mortgage Corporation ("WMC") transferred the Loan to Aurora Bank FSB (formerly known as Lehman Brothers Bank FSB) ("Aurora Bank"). This transfer was accomplished by an endorsement of the Note in blank by the originator (in this case, GE Money Bank).

6. As noted in paragraph 4, above, the Mortgage at issue in this case was issued to MERS as Nominee for GE Money Bank. In my capacity as Vice President I have had occasional contact with MERS, and am informed and believe that MERS maintains a database that tracks mortgage servicing rights and beneficial ownership interests for mortgages that are bought and sold between MERS' member companies. On MERS loans, including the loan at issue here, MERS is listed as the mortgagee or nominee for the beneficiary on the loan documents. However, the beneficial ownership interests and servicing rights remain with the MERS member. Through this arrangement, MERS' members are able to buy and sell mortgages without the time and expense associated with mortgage lien assignments.

7. Where a mortgage is recorded in the name of MERS, no assignment of the mortgage is prepared. Rather, the beneficial owner of the note or an agent acting on its behalf reflects the transfer of the ownership interest on the MERS electronic database. Accordingly, no assignments of the mortgage at issue in this case were prepared in 2007, at the time of the above-referenced transfer. However, an assignment of mortgage typically is recorded when the loan goes into default and resort to collateral is necessary.

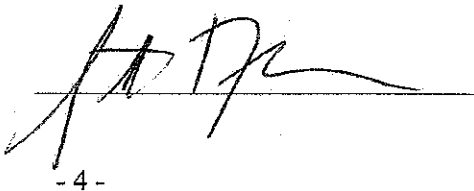
8. On July 3, 2008, Aurora Bank FSB transferred the Loan to LBHI, who is the current holder of the Loan as of the date hereof. The original Note is currently in the custody of Prince Lobel Glovsky & Tye, in its capacity as attorney for LBHI. A copy of the Note is attached hereto as **Exhibit B**.

9. By Master Servicing Agreement dated February 1, 1999, LBHI engaged Aurora Bank FSB (f/k/a Lehman Brothers Bank FSB), to master service, among other things, the Loan. In turn, Aurora Bank FSB engaged Litton pursuant to a Flow Subservicing Agreement dated October 1, 2007, to service the loan. To enable Litton to, among other things, execute and record assignments of mortgages to update public records LBHI and its wholly owned indirect subsidiary PAM furnished it limited powers of attorney.

10. After the Loan was in default, Aurora Bank, on behalf of LBHI, requested that Litton transfer the Mortgage from MERS to PAM in anticipation of foreclosure. This was accomplished by a written assignment dated April 30, 2008 from MERS to PAM. A copy of the assignment is attached hereto as **Exhibit C**.

11. At all times relevant PAM was acting at the direction of LBHI and upon the liquidation of the asset was instructed to remit the proceeds to Aurora Bank, as master servicer, who in turn will remit to LBHI as note holder.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 6th DAY OF
APRIL, 2010.

A handwritten signature in black ink, appearing to be "A. D.", is written over a horizontal line.

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